

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 17893
[Redacted],)	
Petitioner.)	DECISION
)	
_____)	

On December 2, 2003, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted](taxpayer), proposing additional income tax, penalty, and interest for tax year 2001 in the total amount of \$256.

On January 28, 2004, a timely protest and petition for redetermination was filed by the taxpayer's representative (representative). Neither the taxpayer nor his representative has requested a hearing. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NOD.

[Redacted] In the taxpayer's protest letter dated January 27, 2004, the representative stated:

After reviewing the letter you sent, it appears that you have changed the taxpayers filing status to single and disallowed his two dependency exemptions. The taxpayer has amended his federal return to reflect the filing status change to single. However, the taxpayer is entitled to his two sons as dependents and these changes don't increase the tax liability. . . .

[Redacted]Idaho Code § 63-3002 states it is the intent of the Idaho legislature to make the Idaho income tax code identical to the internal revenue code in the way taxable income is determined. Idaho Code § 63-3069 states that, upon a final determination of any deficiency or refund of federal taxes, written notice shall be immediately sent to the State Tax Commission by the taxpayer. IDAPA 35.01.01.890.03, Income Tax Administrative Rules, states that immediate notification is within 60 days of the final determination.

From the cited Idaho Code sections and the Administrative Rule, it is apparent the Idaho legislature intended any changes made to the taxpayer's federal return to be reflected on the taxpayer's Idaho return. Therefore, it is the Commission's position that the changes made to the taxpayer's federal return must be made to the taxpayer's state return.

Following the Idaho Code, the adjustments should be made to the taxpayer's Idaho income tax return. The taxpayer carries the burden to prove the adjustments were incorrect. The taxpayer would like the Commission to re-audit [Redacted]. [Redacted] Since the taxpayer has not provided the Commission with a contrary result [Redacted], the Commission must uphold the deficiency as asserted.

WHEREFORE, Notice of Deficiency Determination dated December 2, 2003, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that taxpayer pay the following tax, penalty, and interest for the year 2001:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$216	\$11	\$52	\$279

Interest is calculated through November 30, 2005.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayer's right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2005.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that I have on this ____ day of _____, 2005, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]
[Redacted]

[Redacted]
